



Billing Code 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 11-49)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English,
DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 11-49 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: November 21, 2011.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

NOV 15 2011

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 11-49, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Australia for defense articles and services estimated to cost \$300 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

William E. Landay III
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 11-49

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Australia
- (ii) Total Estimated Value:

Major Defense Equipment*	\$ 225 million
Other	\$ <u>75 million</u>
TOTAL	\$ 300 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: one C-17 GLOBEMASTER III aircraft, up to four Pratt & Whitney F117-PW-100 engines, one AN/AAQ-24V(13) Large Aircraft Infrared Countermeasures (LAIRCM) System, spare and repair parts, supply and test equipment, personnel training and training equipment, publications and technical documentation, United States Government and contractor engineering, logistics, and technical support services, and other related elements of logistics support.
- (iv) Military Department: Air Force (SGV)
- (v) Prior Related Cases, if any:
FMS case SEN-\$1.2B-19May06
FMS case SGT-\$300M-31Mar11
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex
- (viii) Date Report Delivered to Congress: 15 November 2011

* as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Australia – C-17 GLOBEMASTER III Aircraft

The Government of Australia has requested a possible sale of one C-17 GLOBEMASTER III aircraft, up to four Pratt & Whitney F117-PW-100 engines, one AN/AAQ-24V(13) Large Aircraft Infrared Countermeasures (LAIRCM) System, spare and repair parts, supply and test equipment, personnel training and training equipment, publications and technical documentation, United States Government and contractor engineering, logistics, and technical support services, and other related elements of logistics support. The estimated cost is \$300 million.

Australia is one of our most important allies in the Western Pacific. The strategic location of this political and economic power contributes significantly to ensuring peace and economic stability in the region. Australia's efforts in Operation IRAQI and ENDURING FREEDOM, and peacekeeping, and humanitarian operations have made a significant impact on regional, political, and economic stability and have served U.S. national security interests. This proposed sale is consistent with those objectives and facilitates burden sharing with our allies.

Australia currently has a heavy airlift capability comprised of five C-17As. This additional C-17 will further improve Australia's capability to rapidly deploy in support of global coalition operations and will also greatly enhance its ability to lead regional humanitarian/peacekeeping operations such as its current response to the Queensland flooding, cyclone aftermath and the New Zealand earthquake.

Australia has the ability to absorb and employ the additional C-17. The C-17 fleet is based at Royal Australian Air Force (RAAF) Base Amberley. RAAF Base Amberley is the primary base for airlift and tanker aircraft and is currently undergoing the infrastructure upgrades required to support the C-17 and other large aircraft Australia already received or is under contract to purchase.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be the McDonnell Douglas Corporation, a wholly owned subsidiary of the Boeing Company, in Long Beach, California. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Australia.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 11-49

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The Boeing C-17 GLOBEMASTER III military airlift aircraft is the newest, most flexible cargo aircraft to enter the U. S. Air Force fleet. The C-17 is capable of rapid, strategic delivery of up to 170,900 pounds of personnel and equipment to main operating bases or to forward operating bases. The aircraft is also capable of short field landings with a full cargo load. Finally, the aircraft can perform tactical airlift and airdrop missions and can also transport litters and ambulatory patients during aeromedical evacuations when required. A fully integrated electronic cockpit and advanced cargo systems allow a crew of three: the pilot, copilot and loadmaster, to operate the aircraft on any type of mission.

2. The AN/AAQ-24V(13) Large Aircraft Infrared Countermeasure (LAIRCM) is an active countermeasure system designed to defeat guidance systems of man-portable, shoulder-fired, and vehicle-launched infrared guided missiles by directing a high-intensity, modulated laser beam into the missile seeker. This aircraft's self-protection suite will provide fast and accurate threat detection, processing, tracking, and countermeasures to defeat current and future generation infrared missile threats. LAIRCM is designed for installation on a wide range of fixed-wing aircraft.

3. The AN/ALE-47 Counter-Measures Dispensing System (CMDS) is an integrated, threat-adaptive, software-programmable dispensing system capable of dispensing chaff, flares and active radio frequency expendables. The threats countered by the CMDS include radar-directed anti-aircraft artillery (AAA), radar command-guided missiles, radar homing guided missiles, and infrared (IR) guided missiles. The system is internally mounted and may be operated as a stand-alone system or may be integrated with other on-board electronic warfare and avionics systems. The AN/ALE-47 uses threat data received over the aircraft interfaces to assess the threat situation and to determine a response. Expendable routines tailored to the immediate aircraft and threat environment may be dispensed using one of four operational modes. The hardware, technical data, and documentation to be provided are Unclassified.

4. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop

countermeasures or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

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